

REMARKS/ARGUMENTS

The Office Action mailed January 4, 2005 has been reviewed and carefully considered. Claims 2 and 7 were previously canceled. The claims are not amended by the present communication. Claims 1, 3-6, and 8-18 are pending in this application, with claims 1, 6, and 15 being the only independent claims. Reconsideration of the above-identified application in view of the following remarks is respectfully requested.

In the Office Action mailed January 4, 2005, claim 15 is allowed.

Claims 1-11 stand rejected under 35 U.S.C. §103 as unpatentable over U.S. Patent No. 5,812,764 (Heinz) in view of U.S. Patent No. 6,006,333 (Nielsen).

Claims 12-14 and 16-18 stand rejected under 35 U.S.C. §103 as unpatentable over Heinz in view of Nielsen and further in view of U.S. Patent No. 6,113,078 (Sormunen).

Each of the rejected independent claims 1 and 6 recites selecting from the stored set of single-use passwords, automatically by the terminal device at user log-on to the service, an unused one of the stored single-use passwords for use in logging-on to the service.

The Office Action alleges that Heinz discloses single-use passwords because col. 6, line 44 discloses an embodiment in which passwords are not reused. Examiner Nalven and Applicant's undersigned representative discussed the Heinz reference during a telephonic interview on March 3, 2005 and it was agreed at that time that Heinz does not disclose a single use password, as described below.

Heinz discloses a password management system in which a server generates a list of passwords which is saved in both the server and in client devices (col. 4, lines 1-14). When a client contacts a server, the server recognizes the client and selects a password (col. 5, lines 35-39 and lines 55-59). The selected password is used to encrypt communications between the client and

server (col. 5, lines 61-63). After the password is used for an interval of time, the server marks the password as "used" and selects a new password (col. 6, lines 13-15). Since the server in Heinz allows use of a password for an interval of time, and there is no restriction on the amount of use of the password within that time interval, the passwords disclosed by Heinz can not be considered single-use passwords, as recited in independent claims 1 and 6. Moreover, since Heinz discloses that the time interval is 12-26 hours (see col. 6, lines 40-43), Heinz does not even contemplate use of a single-use password.

Heinz further discloses that a password is selected by the server and used for encryption of communications between the client and the server. Accordingly, Heinz also fails to disclose passwords used for logging on, as recited in independent claims 1 and 6.

For all of the above reasons, Heinz fails to disclose, teach or suggest selecting from a stored set of single-use passwords, automatically by the terminal device at user log-on to the service, an unused one of the stored single-use passwords for use in logging-on to the service, as recited in independent claims 1 and 6.

Nielsen also fails to teach or suggest single-use passwords for logging onto a service. Nielsen describes a password helper which automatically presents the appropriate server-side password to a particular remote server. Nielsen maintains, at a user operating system 10, a database of passwords and user IDs as they are known to remote sites (col. 3, lines 64-66). The information in the database is encrypted using a master password (col. 3, lines 66-67). When a request for authentication is received from a remote site at the user operating system, the appropriate password and ID are decrypted and sent to the remote site (col. 4, lines 1-8). Nielsen discloses only one password for each server and therefore fails to teach or suggest "single-use passwords", as expressly recited in independent claims 1 and 6.

In view of the above remarks, independent claims 1 and 6 are respectfully deemed allowable over Heinz in view of Nielsen.

Dependent claims 3-5, 8-14, and 16-18, each being dependent on one of independent claims 1 and 6, are deemed allowable for at least the same reasons expressed above with respect to independent claims 1 and 6.

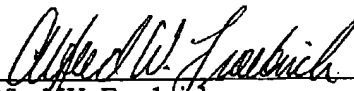
In view of the foregoing, this application is deemed to be in condition for allowance, and early notice to that effect is earnestly solicited.

It is believed that no fees or charges are required at this time in connection with the present application. However, if any fees or charges are required at this time, they may be charged to our Patent and Trademark Office Deposit Account No. 03-2412.

Respectfully submitted,

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